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E.O. 12958: DECL: 12/14/2016
TAGS: [ECON](#) [EINV](#) [KIPR](#) [PGOV](#) [PREL](#) [ETRD](#) [IZ](#) [AE](#)
SUBJECT: PHILIP MORRIS CONVEYS IPR FRUSTRATIONS REGARDING THE
NORTHERN EMIRATES

REF: DUBAI 3360

CLASSIFIED BY: Paul R Sutphin, Consul General, Dubai, UAE.
REASON: 1.4 (d), (e)

1.(C) Summary: On December 5, Philip Morris International (PMI) representatives and a local law firm employed by PMI told PolEconoff of intellectual property rights (IPR) failures in Dubai and the northern emirates. PMI said cigarette counterfeiters use Dubai as a major transshipment hub for raw materials and finished product, and at least one major counterfeiter is based in Dubai. PMI officials are frustrated at the slow, and at times uneven, response they receive from various law enforcement entities. While not asking for assistance at this time, PMI pledged to keep the Consulate General informed of its progress and let us know if help is needed. End Summary

2.(SBU) As part of a trip to meet local government officials, PMI Regional Director Brand Integrity Angelos Antypas, Assistant General Counsel Brand Integrity Frederic Thiry, Manager Product Intelligence and Security Mohamed El Sissy along with Nasser Ali Khasawneh and Nayiri Boghossian from Dubai-based law firm Khasawneh and Associates (PMI's local legal representative) told PolEconoff of IPR frustrations in Dubai, Fujairah and Ajman. PMI believes the IPR environment in the UAE has vastly improved, citing more than 70 seizures of counterfeit PMI product in the last four years. However, echoing many rights holders in Dubai (reftel), PMI said Dubai acts as a major transshipment hub for counterfeit items, moving non-tobacco raw materials as well as finished product. PMI said the Fujairah Free Zone and port are both "part of the problem" without providing specifics, while counterfeiters -- to a lesser extent -- also operate from Ajman.

3.(C) PMI briefed PolEconoff about an alleged counterfeiting ring run by Iraqi Waheb Tabra, out of the Dubai World Trade Center Tower (where ConGen is located). Tabra's company, Margin Trading Co Ltd, allegedly moves cigarettes and raw material from South Asia to Baghdad and beyond. PMI continues to work with Dubai Customs against Tabra's company, but is growing frustrated by perceived inaction. PolEconoff provided Khasawneh an IPR contact at Embassy Baghdad.

4.(SBU) At the conclusion of PMI's Dubai meetings, Khasawneh briefed PolEconoff on the sessions with Dubai-based officials, including Dubai Customs' IPR Unit. Customs promised to provide samples from a recent seizure for PMI testing. The Dubai Police recommended PMI file formal complaints against those entities PMI believes are counterfeiters. A legal advisor from the

Ruler's Court in Dubai expressed willingness to take up PMI's case should PMI believe any Dubai office is ineffective. While not asking for assistance at this time, PMI pledged to keep ConGen informed of its progress and let us know if help is needed.

SUTPHIN